

NCD Alliance

Geneva

Report of the statutory auditor
to the General Meeting

on the financial statements 2023



Report of the statutory auditor

to the General Meeting of NCD Alliance

Geneva

Report on the audit of the financial statements

Opinion

We have audited the financial statements of NCD Alliance (the Association), which comprise the balance sheet as at 31 December 2023, and statement of revenues and expenses for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements comply with Swiss law and the Association's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Association in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Association Board is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Association Board's responsibilities for the financial statements

The Association Board is responsible for the preparation of financial statements in accordance with the provisions of Swiss law and the Association's articles of incorporation, and for such internal control as the Association Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Association Board is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Association Board either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

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Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Association Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.

We communicate with the Association Board or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

In accordance with article 69b para. 3 CC in connection with article 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Association Board, for the preparation of the financial statements.

We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers SA

Marc Secretan
Licensed audit expert
Auditor in charge

Jonathan Darbellay
Licensed audit expert

Genève, 4 June 2024

Enclosure:

- Financial statements (balance sheet, statement of revenues and expenses and notes to the financial statements for the year ended December 31, 2023)

NCD Alliance (NCDA)

BALANCE SHEET AT 31 DECEMBER 2023

	2023		2022	
	USD	CHF	USD	CHF
<u>ASSETS</u>				
Current assets				
Cash equivalents				
Current accounts	527'794.54	444'022.99	917'229.56	846'978.95
Deposits & short term investments	2'700'000.00	2'271'456.00	4'500'000.00	4'155'345.00
Accounts receivable	226'424.83	190'486.68	246'076.27	227'229.29
Other current assets	90'189.72	75'874.81	42'133.75	38'906.73
Prepaid expenses	35'535.53	29'895.33	21'609.81	19'954.71
Fixed assets				
Tangible fixed assets	31'835.67	26'782.71	36'865.31	34'041.79
TOTAL ASSETS	3'611'780.29	3'038'518.52	5'763'914.70	5'322'456.47
<u>LIABILITIES</u>				
Current liabilities				
Account payables	54'045.11	45'467.07	38'282.35	35'350.30
Accrued liabilities	151'468.37	127'427.31	649'332.17	599'599.82
Other liabilities	146'252.10	123'038.97	152'241.97	140'581.76
Provisions	45'973.50	38'676.59	77'612.75	71'668.39
TOTAL LIABILITIES	397'739.08	334'609.94	917'469.24	847'200.27
<u>FUND BALANCES</u>				
Fund balances				
Unrestricted	2'620'516.49	2'501'694.20	2'486'695.31	2'381'415.72
Restricted	593'524.72	630'829.55	2'359'750.15	2'218'312.97
Currency exchange fluctuations		-428'615.17		-124'472.50
TOTAL FUND BALANCES	3'214'041.21	2'703'908.58	4'846'445.46	4'475'256.19
 TOTAL LIABILITIES AND FUND BALANCES	 3'611'780.29	 3'038'518.52	 5'763'914.70	 5'322'456.47

NCD Alliance (NCDA), Geneva

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2023

1. NCDA'S ACTIVITY

NCD Alliance was founded by four international NGO federations representing the four main NCDs – cardiovascular disease, diabetes, cancer, and chronic respiratory disease. Together with other major international NGO partners, our civil society network includes national and regional alliances and over 351 members. The mission of NCD Alliance is to unite and strengthen civil society to stimulate collaborative advocacy, action and accountability for NCD prevention and control.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The NCDA financials are being prepared in accordance with the Swiss law. These accounting standards are recognized, comprehensible and ensuring the continued publication of high-quality and transparent financial reports.

Translation of accounts

The NCDA maintains its books of account in US dollars for the unrestricted and restricted funds. In the accompanying balance sheet, assets and liabilities in currencies other than US dollars are translated into US dollars at the rates of exchange prevailing at December 31, 2023: CHF 0.84128 USD 1. The statement of revenues and expenses were converted at the average rate for 2023: CHF 0.89880 USD 1.

All the unrestricted revenues and expenses in currencies other than US dollars are translated into US dollars on a daily rate basis during the year. The resulting translation difference is automatically booked in the statement of revenues and expenses.

Certain comparative figures have been reclassified to conform with the financial presentation in the current year.

Unrestricted funds and expenditures

The NCDA unrestricted funds comprises of support contributions, membership dues and other revenues. NCDA records support contributions and membership dues receivable on an accrual basis. All unrestricted revenues are recorded when due and collection is confirmed. Expenditure is recognized in the financial statements on an accrual basis.

Restricted funds

The NCDA receives grants and other restricted funds that are accounted for on a cash basis according to the purpose for which the funds were granted. Restricted funds are designated for specific NCDA programmes and activities. For all restricted activities, their costs and funding follow the same accounting procedures than NCDA's operational funding. As a matter of policy, where applicable, the NCDA uses a portion of each grant to fund general organisational expenses.

Deferred income

All income received in the current period related to the next period is accounted as deferred income.

Provisions

A provision represents a probable obligation that is based on a past event and its amount and/or its due date is uncertain but can be estimated. NCDA will therefore make appropriate provisions to ensure an ongoing high integrity of its financial accounts. Such provisions will cover potential charges and liabilities which may be occurred by NCDA as well account for doubtful revenues due to NCDA.

In 2023, NCDA has one opened provision for holidays, for a total amount of USD 45'973.50. On 31 December 2022, the provision for holidays was USD 44'740.20.

Depreciation

IT expenditures up to USD 2,000 are booked as a current expenditure and not depreciated. Above USD 2,000, IT related equipment is linearly depreciated over 3 years.

3. INCOME TAX AND STATUES

As a non-profit organisation devoted to the public interest, the NCDA is exempted from income taxes by the Swiss tax authorities for an unlimited period.

4. FULL TIME EMPLOYEES (FTE)

On 31 December 2023, the number of FTE's was equivalent to 18. On 31 December 2022, the equivalent was 17.

5. REMUNERATION OF THE BOARD MEMBERS

As stated in the Terms of References, the NCDA Board Members are not remunerated during their two years mandate.

6. PENSION FUND OBLIGATIONS

As at December 31, 2023, there was a pension fund liability of USD 8'213.42. As at December 31, 2022, the pension fund liability was USD 4'423.99.

7. EVENTS AFTER THE BALANCE SHEET DATE

No events took place after 31 December 2023 that would require adjustments to the amounts recognised, or otherwise require disclosure, in these financial statements.